

O/R Video Upgrade
DEPARTMENT OF VETERANS AFFAIRS
Justification and Approval
For
Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, Network 16 Contracting Activity, Michael E. DeBakey VA Medical Center.

2. **Nature and/or Description of the Action Being Processed:** Sole source acquisition of HD Video Upgrade for ORs 1, 2, 3, 4, 9, 10, 11, and 12.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:** 2237# 580-14-4-167-0573. This request is to perform/install HD Video Integration on ORs 1, 4, 10 and 11 and upgrade current video integration in rooms 2, 3, 9, and 12 from standard to HD. Image quality is beginning to degrade and a complete upgrade to HD is necessary to keep the equipment fully functional and "state of the art".

4. **Statutory Authority Permitting Other than Full and Open Competition:**

- (X) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
() (2) Unusual and Compelling Urgency per FAR 6.302-2;
() (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
() (4) International Agreement per FAR 6.302-4
() (5) Authorized or Required by Statute FAR 6.302-5;
() (6) National Security per FAR 6.302-6;
() (7) Public Interest per FAR 6.302-7;

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** The Medical Center is not seeking competition for this procurement due to the proprietary connections of the currently installed Karl Storz equipment and instrumentation. We currently have eight Karl Storz standard definition image 1 surgical video camera systems. With the high definition upgrade to the Karl Storz Image 1 Spies, the Michael E. DeBakey VA will receive the only system offered on the market to provide the following benefits during surgery to enhance surgical outcomes. The first is the Spies Clara eliminates dark areas in an image in real time allowing the surgeon to keep their telescope the right distance from the surgical target and allows him/her to effectively perceive and discern additional content. With other/current systems in the market, the surgeon has to move his/her telescope closer to the target for proper illumination that reduces space for instruments, loses overview and allows

for the risk of mucous on the lens which impedes the clarity of the surgical field. The Spies Clara has the potential to reduce surgical time as well as error/complications because the surgeon will not need to remove, clean and reinsert during a procedure. No other system in the market allows for this real time clarity of images. The SPIES Chroma is also unique to the Karl Storz image 1 Spies. It increases the visualization of vascularization, which allows for less chance of cutting blood vessels.

The Karl Storz Image 1 Spies System allows for a 16:9 aspect ratio versus the standard definition 4:3 aspect ratio, which allows for an 19% wider field view at the same magnification with a full screen monitor. This allows instruments entering the abdominal cavity to be seen earlier than with a 4:3 aspect ratio. The Image 1 HD camera features a vertical resolution of 1080 that is 2.25 times the resolution of Standard Definition, making fine details and tissue plane recognition easier.

The Karl Storz OR 1 Integration offers a single server for management of still photos and video imagery captured during surgery and the ability to stream encrypted surgical footage to nodes as well as authorized users at desktop workstations. The AIDA Image Capture System is VA VistA certified. The Karl Storz OR 1 Integration will also pull information from VistA that eliminates manual user input in the image capture system. This information will be pushed to the Video On Demand and Streaming server for later upload to VistA PACS.

Lastly if the current Karl Storz OR Video Integration System had to be completely replaced with a new system, this would cause significant delays in our operating rooms and greatly impact patient care at both the Michael E. DeBakey VA Medical Center and throughout VISN 16, since the Michael E. DeBakey VA Medical Center serves as a referral center for complex patients throughout the VISN. At the Michael E. DeBakey VA Medical Center, an average of 45 surgeries are performed each day. If the operating rooms were shut down to remove the current Karl Storz OR Video Integration system and install a completely new system, life-saving surgeries would be delayed for many veterans and significant cost to the government would be incurred (estimated between \$8-15 million dollars).

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable: No other sources were sought at this time due to the proprietary connection design of the Karl Storz system. Future upgrades that require the entire system to be replaced will be competed full and open.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable: I have determined the price to be fair and reasonable due to the fact that we receive Karl Storz's most favored pricing available to any customer. I performed a comparison of their list price, identifying the price they charge the general public. We are being charged 50.42% less than their list price. Furthermore, I compared the prices to the government estimate and they match. Based on the above information I have determined the price to be fair and reasonable.


8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted: The COR has searched the internet, GSA advantage, and contacted known suppliers of this type of item. However, they were unable to identify any vendor that could provide equipment that was compatible with the Karl Storz system.


9. Any Other Facts Supporting the Use of Other than Full and Open Competition: The video equipment from Karl Storz is the sole item that is adaptable to the equipment we currently have.

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: None

11. A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required: Due to currently installed equipment there are no other sources the facility can seek out at this time.

12. Requirements Certification: I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief. For future requirements of this type we will once again conduct extensive market research to try to locate competition on our requirements.


Sangita Shah
Health Systems Supervisor
Michael E. Debakey VA Medical Center


Date

13. Approvals in accordance with FAR 6.304

a. Contracting Officer's Certification: (required) I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

jon.jachens@va.gov
OV

Digitally signed by jon.jachens@va.gov
DN: cn=jon.jachens@va.gov
Reason: I agree to specified portions of this document.
Date: 2014.08.15 13:33:25 -05'00'

Jon B. Jachens Jr.
CONTRACTING OFFICER
NETWORK 16 CONTRACTING ACTIVITY
Michael E. DeBakey VA Medical Center

Date

b. NCM/PCM : I certify the justification meets requirements for other than full and open competition.

aaron.villalpando@va.gov
ndo@va.gov

Digitally signed by
aaron.villalpando@va.gov
DN: cn=aaron.villalpando@va.gov
Date: 2014.08.28 08:11:38 -05'00'

Aaron Villalpando
Network Contract Manager
Network 16 Contracting Office

Date

c. SAO : I certify the justification meets requirements for other than full and open competition.

Rick L. Lemmon
Director
Service Area Office, Central

Date